

**OLD RECORD COPY**

OLC 78-2221/4

2 August 1978 *mf*

## MEMORANDUM FOR THE RECORD

SUBJECT: Briefing of Subcommittee on Priorities and Economy in Government, Joint Economic Committee, 21 July 1978

X1 1. [ ] On 21 July 1978, Dr. Sayer Stevens, D/NFAC, briefed the Subcommittee on Priorities and Economy in Government, Joint Economic Committee, on the Chinese economy. Chairman William Proxmire (D., Wisc.) was the only member present, except for Senator Jacob K. Javits (R., N.Y.), who was present for the last 10 or 15 minutes of the briefing. Richard Kaufman, Chief Counsel of the Committee and Ronald Tamman of Senator Javits' staff, were present also.

X1 2. [ ] Assisting Dr. Stevens from the Agency were [ ] OER, [ ] and [ ] OSR, [ ] CSS. Helene Boatner, OER, was present as an observer. 25X

[ ] A transcript was taken of the briefing which included Top Secret material.

X1 3. [ ] At the outset, Chairman Proxmire requested that the transcript be sanitized so that the Subcommittee could publish the material. Dr. Stevens agreed to have this done promptly. Dr. Stevens covered the current economic situation in China, including the Four Modernizations Plan, the outlook of the new leadership, progress in the Five Year Plan, the new Ten Year Plan and outlook for foreign trade. He then proceeded to the defense area where he discussed the percentage of the gross national product devoted to defense spending. A brief question and answer session followed and the briefing was concluded after about one hour. The Chairman requested a number of charts, which NFAC will provide along with the sanitized transcript. 25X

[ ]  
Office of Legislative Counsel

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